

From: [Ulf Steinvorth](#)
To: [DGR Inbox](#)
Subject: Health & Safety should not get taxed out of volunteering
Date: Sunday, 9 July 2017 12:11:33 PM

I wish to make a submission regarding the consultation paper which proposes potential reforms to Deductible Gift Recipient (DGR) tax arrangements.

Scientific analysis of medical data shows that air pollution predominantly due to burning of fossil fuels already causes approximately 7 million preventable deaths every year (World Health Organization report 2014). This is without taking the estimated effects of the produced CO2 on climate change into account.

Most world-, scientific- and business leaders including even our fossil fuel industry have acknowledged the risks of air pollution, man-made climate change and the need for change towards renewable energy production, in which nearly all energy companies invest heavily.

Delaying available best evidence and scientific consensus from changing laws and behaviour has played a direct role in many Asbestos- and smoking-related deaths and is now causing pollution-related deaths.

In the case of smoking or immunizations some of us do not feel the need to protect themselves or their community, and they are at liberty to reject those measures. Such refusal might still put others at risk though, and our current asbestos and smoking laws provide protection.

My patients and their families deserve to be offered similar protection against the proven threats of air pollution, even if it is costly and even if we cannot force all 195 signatory countries to honor the unanimous world-wide Paris agreement on the need for action to reduce CO2.

Mining coal directly leads to burning coal which already leads to millions of pollution-related deaths world-wide. Some of our operating coalmines might still be needed for the transition period and might still seem a comparatively 'cheap' option to lift people out of poverty and drive their ongoing industrialization.

Ultimately though coal's hidden cost of mine-site regeneration, toxic spills, air pollution, heart- and lung diseases with their health and social costs, lost workplaces in mostly robotic mines and ultimately climate change need to be taken into account.

Conservative economists like Alan Kohler from The Australian warn regularly and clearly

that burning coal for energy production is an outdated technology that will be overtaken by the free market in the very near future. Major banks refuse financing coal projects for lack of viability and damage to reputation. Queenslanders are voting with their roofs installing solar and battery storage technology is likely to transform the energy networks even faster than mobile phones transformed the communication networks.

When discussing and voting on environmental and social groups' tax status, please acknowledge that most of them are working hard to ensure the medical safety and prosperity of current and future generations of Australians, sometimes against current dangerous political or market trends. Please consider your responsibility to represent them and protect the prosperity, health and conscience of future generations of Australians and to uphold our obligations and reputation in the world.

Please consider our not yet democratically represented future generations, that may not look kindly on us if we were to ignore the available clear evidence to protect jobs, health, nature and climate.

Please remember the deadly long-term costs of smoking and asbestos to our society were ignored for too long under the guise and tax-windfall of short-term profits made by the companies putting their workers and the world at risk.

Although the discussion paper contains several proposals that would streamline and simplify reporting and administrative burdens for DGR recipient organisations and governing agencies, I cannot ignore the clear political motivation behind the paper, which carries several recommendations from an inquiry into environmental organisations set up under the Abbott Government in what was a clear attempt to hamper these organisations' work.

I will address several of the key points in turn.

Issue 2: Ensuring that DGRs understand their obligations, for example in respect of advocacy.

This 'issue' is misleading, as it implies that the ACNC Governance Standards and/or the Income Tax Assessment Act (ITAA) somehow limit DGRs' ability to undertake advocacy. Advocating for policy which aims to protect and enhance the natural environment does not offend the ITAA 'principal purpose' requirement of environmental DGRs. Neither are such limits imposed by the ACNC Governance Standards.

Therefore, in response to Consultation Question 4, the ACNC should not require additional information from all registered charities about their advocacy activities. Such information would be irrelevant in considering whether or not those organisations were meeting their obligations under the ACNC Governance Standards, or the ITAA.

Additional reporting would also place unnecessary extra burden on charities and regulators. As the additional information is not required to analyse DGR status, Consultation Questions 5 and 6 need not be discussed.

Consultation Question 12

The notion that some proportion of every environmental organisation's expenditure should be required to go towards environmental remediation is absurd. Some environmental organisations do remediation work, while others perform different but no less important roles directed at protecting and enhancing the natural environment, such as public education or advocating for environmentally sound policy. To require every group to spend a set proportion of their resources on remediation would limit some organisations' abilities to perform their integral specialised roles in protecting and enhancing the environment. Imposing this effective restraint on activity can only be seen as a politically motivated attempt to limit environmental groups' impact.

The paper seems to neglect the outcome of environmental advocacy work that results in improved policies for land and water management, air pollution, waste disposal and penalties for environmental damage. These improvements in policy and regulation, brought about in part through the work of environmental advocates, may well relieve the "remediation" burden, which itself applies a degree of environmental damage having taken place.

Further, any such requirement would be impossible to enforce without placing unreasonable reporting and review burdens on environmental groups and administrators. This would come at a great and unnecessary cost to charities and taxpayers.

Consultation Question 13

I disagree with the REO inquiry's Recommendation 6. Environmental DGRs should not face administrative sanctions for supporting communities' rights to peacefully protest against environmentally damaging activities. Such measures would curtail an integral element of our democratic society.

The application of the recommendation, which extends DGRs' liability to 'others without formal connections to the organisation', is impractically wide-ranging. Under the recommendation an environmental group that promoted an event could face sanctions for the individual actions of every person in who attended that event.

The ACNC has stated that it already has the powers required to regulate charities. These powers are sufficient to ensure environmental DGRs are operating lawfully.

In conclusion, I would like to reiterate my belief that environmental DGRs are already subject to significant regulatory burden. Many of the issues raised in the discussion paper relate to increasing scrutiny, regulation and sanctions for these organisations, which is completely unjustified.

Organisations working on remediation, education, advocacy and other areas are all vitally important to protecting and enhancing our natural environment. Their activities must not be unnecessarily restricted or unfairly burdened.

Sincerely

Dr Ulf Steinvorth

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Ulf Steinvorth